

ORIGINAL

STAFF PROPOSED AMENDMENT NO. 3
DAWS ALTERNATIVE



0000120792

TIME/DATE PREPARED: 12/13/10

RECEIVED

COMPANY: Johnson Utilities, LLC

AGENDA ITEM NO. 23

DOCKET NO(S). WS-02987A-08-0180

2010 DEC 13 P 4: 53

OPEN MEETING DATE: 12/14/10

AZ CORP COMMISSION
DOCKET CONTROL

Page 2, Line 2 **INSERT** new Findings of Fact:

"On October 18, 2010, the Company filed a "Notice of Correction of CAGR D Compliance Filing Pursuant to Decision 71854.

Upon review by Staff, Staff issued a supplemental memo on November 1, 2010, and a Notice of Errata on November 2, 2010, revising its recommended CAGR D calculations.

On December 10, Staff filed a second supplemental memo which presented two alternative sets of CAGR D calculations."

Page 2, **DELETE** Lines 3-9 and **INSERT** new Findings of Fact:

"The CAGR D was established by the Arizona legislature to serve as a groundwater replenishment entity for its members and provides a mechanism for property owners and water providers to demonstrate a 100-year assured water supply. The CAGR D is recognized as an important tool in Arizona's groundwater conservation efforts.

Member Service Areas are served by water providers such as Johnson that hold a Designation of Assured Water Supply ("DAWS"). Member Service Area providers pay the CAGR D to replenish any groundwater pumped by the provider that exceeds the specified pumping limits.

Member Lands are individual subdivisions that are served by water providers that do not hold a DAWS but, instead, hold a Certificate of Assured Water Supply ("CAWS"). A Member Land property owner pays the CAGR D via his property tax bill based on the volume of groundwater delivered to his home.

We conclude that obtaining a DAWS should be encouraged among water providers."

Page 2, **DELETE** Lines 22-23

Page 3, **DELETE** Lines 1-2 and **INSERT** new Finding of Fact:

"The Company is requesting a rate of \$0.75 per thousand gallons for customers in the Phoenix AMA and \$.025 per thousand gallons for customers in the Pinal AMA."

Arizona Corporation Commission
DOCKETED

THIS AMENDMENT:			
_____ Passed _____	Passed as amended by _____		
_____ Failed _____	_____ Not Offered _____	_____ Withdrawn _____	DOCKETED BY _____

DEC 13 2010

[Signature]

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Page 3 **DELETE** Lines 10-21 and **INSERT** new Finding of Fact:

“Staff’s calculation of the CAGR D adjustor fee is shown below. The fee for a customer in the Phoenix AMA is \$0.747 per thousand gallons.

A	Total CAGR D Fees	\$ 1,637,956
B	Total Gallons Sold (1,000s)	2,191,644
C	Charge per 1,000 gallons (A ÷ B)	\$ 0.747”

Page 3 **DELETE** Lines 24-26

Page 4 **DELETE** Lines 1-9 and **INSERT** new Finding of Fact:

“Staff’s calculation of the CAGR D adjustor fee is shown below. The fee for a customer in the Pinal AMA is \$0.252 per thousand gallons.

A	Total CAGR D Fees	\$ 58,320
B	Total Gallons Sold (1,000s)	231,545
C	Charge per 1,000 gallons (A ÷ B)	\$ 0.252”

Make all conforming changes.

THIS AMENDMENT:		
<input type="checkbox"/> Passed	<input type="checkbox"/> Passed as amended by _____	
<input type="checkbox"/> Failed	<input type="checkbox"/> Not Offered	<input type="checkbox"/> Withdrawn